



U.S. Department of Justice

Southern District of Indiana

United States Attorney

10 West Market Street

(317)226-6333

*Suite 2100
Indianapolis, Indiana 46204-3048*

TDD (317)226-5438

FAX NUMBERS:

Criminal (317)226-6125

Administration (317)226-5176

Civil (317)226-5027

FLU (317) 226-6133

OCDEF (317)226-5953

January 15, 2004

CONTACT PERSONS:

CLAUDIA CUMMINGS

Public Affairs Officer

(317) 226-6333 office

(317) 590-7928 mobile

FOR IMMEDIATE RELEASE:

**TWO MORE INVESTORS CHARGED
IN MARION MORTGAGE FRAUD SCHEME
FILE PETITIONS TO PLEAD**

PRESS RELEASE

Susan W. Brooks, United States Attorney for the Southern District of Indiana, announced that RICHARD POLLETT, 47, of Marion, Indiana, and RICHMOND BAILEY, 48, of Upland, Indiana, are the third and fourth persons to be charged in an ongoing investigation of a mortgage fraud scheme perpetrated in Marion, Anderson, Indianapolis and other locations within the Southern District of Indiana. Both POLLETT and BAILEY have signed plea agreements and filed petitions with the Court to plead guilty. They will be sentenced at a date to be determined if the Court accepts their pleas.

-more-

Pollett - 2

The case was the result of an investigation by the Federal Mortgage Fraud Task Force including agents of the Internal Revenue Service, Federal Bureau of Investigation and United States Postal Service.

Previously, in 2003, SCOTT FETTING, 45, of Indianapolis, was sentenced to 15 months imprisonment and CHRIS WINE, 29, of Marion, was sentenced to 24 months imprisonment by U.S. District Judge Sarah Evans Barker for their roles in the scheme. FETTING and WINE agreed to cooperate in the investigation and their sentences were reduced from the presumptive Federal Sentencing Guidelines range accordingly.

POLLETT and BAILEY face similar charges. POLLETT is charged in a two-count Information alleging conspiracy to commit mail fraud and conspiracy to conduct financial transactions with proceeds of a specified unlawful activity under the federal money laundering statutes. BAILEY's charges differ only slightly. Count 1 is conspiracy to commit wire fraud, rather than mail fraud, and count 2 is a similar money laundering conspiracy charge.

Brooks said, "Mortgage fraud is one of my office's top priorities. The homes used in these schemes are often left vacant and this creates a void that can destroy communities."

Both men face up to five years imprisonment and a fine of up to \$250,000 and three years supervised release on count 1, and up to ten years imprisonment and a fine of \$250,000 or two times the value of the funds laundered, and up to three years of supervised release, on count 2. Both men have agreed to cooperate with the Government as the investigation by the Federal Mortgage Fraud Task Force continues, according to Assistant United States Attorneys Donna Eide and Mark Massa, who are prosecuting the cases for the Government.

-more-

The charges more specifically allege that in 2002, POLLETT and BAILEY participated with other persons known to the United States Attorney in a scheme that involved the use of fraudulent appraisals and false loan applications to obtain loans in excess of a property's true value. POLLETT and BAILEY were buyers who received cash payments from their co-conspirators from the excess loan proceeds fraudulently obtained.

The charges in the Informations are merely accusations and the defendants remain presumed innocent until and unless their guilty pleas are accepted by the Court.

###